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CENTRAL INTELLIGENCE AGENCY

REPORT

INFORMATION REPORT

CD NO PROCESSING COPY

COUNTRY East Germany

DATE DISTR 12 January 1956 25X1

SUBJECT 1. VEB Werk fuer Fernmeldewesen WF Production
2. Planned Exhibition of TV Testing Equipment
at Leipzig Fair 1955 Fair

NO OF PAGES 4 25X1

PLACE
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NO OF ENCLS.
(LISTED BELOW)DATE OF
INFO.SUPPLEMENT TO
REPORT NO.

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1. In late April 1955, Lichnok (fnu), chief of the Projecting Department of Werk fuer Fernmeldewesen (telecommunications plant) (WF), Berlin-Oranienburg, received orders from the Main Administration for Radio and Telecommunications Technique (RFT Main Administration) for the production-line manufacture of receiver tubes. This manufacture was ordered for the increase in the annual production capacity of the WF plant to 5 million tubes, of Funkwerk (radio engineering plant) Erfurt to 4 million tubes, of Funkwerk Neuhaus to 2 to 3 million tubes and of Roehren-Werk (tube plant) Muehlhausen to an undetermined number. Lichnok was also ordered to project the enlargement and modernization of the glass works at Weisswasser. The construction of a new building for the automatic production of image tubes at the WF plant was planned for 1956.

2. The production of "17"-type image tubes was started at the WF plant in early May 1955. Bulbs for these tubes were manufactured in Czechoslovakia.

3.

the 1955 plan target for the 57 plants belonging to the RFT Main Administration was scheduled to be considerably decreased according to a decision of the Ministers' Council of 20 May. Prior to early May 1955, these plants had a production stock exceeding the target by 28.75 million DME. By reduction of the plan target, products exceeding the target will increase to 72.3 million DME. The 1955 plan target for the WF plant was 57.2 million DME and 2 million DME for consumer goods (Massenbedarfsguter). This target was decreased by 14 million DME according to the decision mentioned above.

4. According to the decision by the Ministers' Council, effective June 1955, the production of radio tubes, special tubes, transmitter tubes, thyratrons, and stabilizers was scheduled to be reduced. In early June, about 600 persons were laid off and were forbidden employment at other enterprises. Stress was laid upon the apparatus works (Geratewerk) and the production of equipment at the main plant. According to orders for consumer goods, spectrometers, hollow tube instrument leads, and television sets, the production of the apparatus works ran to full capacity prior to the fourth quarter of 1955. Workers had to be transferred from the tube plant to the apparatus works. Because instruments manufactured within the program for the production of consumer goods were not produced in the Satellite States, export orders are also to be expected. The apparatus works tried to compensate for the shortage of personnel by giving partial orders to penitentiaries Berlin I at Rummelsburg and Berlin II at Barnim Strasse, Berlin.

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The WF plant had to employ 50 convicts who worked in two shifts. So far, 5 turning lathes, 2 four-spindle drilling machines, and various tools were delivered by the plant to the penitentiaries. Work done by the convicts was very good and exact and targets were kept within time limits. The convicts received their wages from the WF plant. The employment of convicts at plants is a new way of releasing young workers to the KVP.

5. In April 1955, the plan for VHF antennas was fulfilled with 100 percent and for slide frames with 112 percent. The production of television repair kits (Fernseh-Kundendienst-Koffer) was delayed because of insufficient delivery of component parts. As late as June, 90 television repair kits were transferred to the test stand.

6. In late June, orders for the following instruments, amounting to 3.5 million DME were given to the WF plant:

Television repair kits
Wobbling generators (Wobbelgeneratoren)
LC measuring bridges
Universal tube voltmeters

Contracts for the following instruments were nearing conclusion:

Square wave generators
Audio oscillators
Miscellaneous equipment and accessory instruments

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few orders will be given for instruments by DIA (German Foreign and Domestic Trade) in 1955 because a large number of instruments were in DIA stocks which were previously designed for the USSR. The USSR had cancelled their orders because the instruments did not meet the new technical requirements. In case the plant receives no orders, the production of the apparatus will be balanced by the manufacture of consumer goods. It has been calculated that a balance is reached if the mass production amounts to 6.2 million DME.

7. At the RFT Main Administration, [redacted] repeatedly complained of the lack of orders. [redacted] a reduction of the production target at the works Erfurt, Neuhaus, and Buchhausen in favor of the WF plant. These measures should be taken to give the impression of full employment at the WF plant to the East Berlin population. After Adenauer's trip to Moscow, [redacted] the WF plant expressed the opinion that the WF plant would be forced to close down if trade connections were established between Western Germany and the Eastern Bloc countries. [redacted] GDR products in the field of radio and telecommunications equipment are no longer salable because of their poor quality and outdated types of instruments.

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8. In early June 1955, the WF plant received several governmental orders for the Testing Department. For the performance of work, 12 engineers, 3 scientists, 10 technicians, and 15 mechanics were scheduled to be transferred from Funkwerk (radio engineering plant) Koenigsberg to the Werk fuer Fernmeldewesen.

9. Prior to May 1955, no transmitters were being manufactured at the WF plant. A transmitter which was ordered by the Post Office has been completed for half a year but has not been delivered because the Post Office had apparently no money for payment.

In early May 1955, three television transmitters were included in the production program of the WF plant under priority I. These transmitters are to be completed by late 1955. A special representative of the Ministry for General Machine Construction, who was authorized to change plan targets in favor of component parts for the television transmitters, was ordered to mediate at the delivery firms.

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10. [REDACTED] 25X1

11. Manager Rudi Mueller announced the delivery of large quantities of deep-drawing sheets from the USSR. For the fulfilment of the 1955-1956 production plan for mass products, 8 tons of deep-drawing sheets with a thickness of 1 mm and 7 tons of deep-drawing sheets with a thickness of 1.5 mm, both of quality class ST 7, were scheduled to be delivered. In late May, however, only 4 tons of sheet with a thickness of 0.8 mm had arrived at the plant. So far, no other kinds of sheet had been delivered from the USSR.

At Kondensatoren-Werk (condenser plant) Gera, there was a shortage of borax which was to be imported from South America. [REDACTED] the Production Management of the RFT Main Administration, mentioned in early June that deliveries of borax and boric acid had been stopped by South America. As result of the suspended deliveries, the production of electrolytic condensers was stopped by Kondensatoren-Werk Freiberg on 8 July and by Kondensatoren-Werk Gera on 11 July. Subsequently, there was a shortage of electrolytic condensers at all instrument manufacturing firms. A shortage of 2,200 double electrolytic condensers with rough foil of 2 x 16 µF occurred at the WF plant. Manager Mueller of the WF plant planned to send Gabrysch (fnu), commercial chief, and Scheel (fnu), departmental buyer, to Kondensatoren-Werk Gera where negotiations were to be held. Minutes were scheduled to be drawn up on this occasion. With these minutes, the WF plant planned to intervene with Schmidt (fnu), chief of the RFT Main Administration, Moriba (fnu), deputy of Minister Wunderlich, or with the minister himself.

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There was also a lack of wire-wound resistors and layer resistors and Scheel was ordered to negotiate at the Drelowid-Werk at Teltow for the delivery of 30,000 wire-wound resistors and 50,000 to 70,000 layer resistors which were used for the completion of the program for the mass products.

12. [REDACTED] the total GDR 25X1
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production of variable condensers was scheduled to be centralized at Fernmeldewerk Arnstadt. The production of variable condensers was to be suspended at Funkwerk Koenig, Technisch-Physikalische Werkstatt (TPW) (technical-physical workshop) Thalheim, Sachsen-Werk Paderberg, and Funkwerk Koellada. Datsch (fnu), representative of the Central Laboratory for Telecommunications Technique - "A" at Arnstadt was in charge of the production transfer and coordination of different products. In July, the Production Management of the RFT Main Administration informed the plant that normal variable condensers were produced at Koellada and not in Arnstadt because Fernmeldewerk Arnstadt had changed its production. The Arnstadt plant was to produce exclusively four new types of VHF variable condensers. [REDACTED]

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[REDACTED] the plant was not capable of developing four new types of VHF variable condensers. The WF plant was to receive two new VHF variable condensers for testing and comparison in July 1955.

13. Since about early 1955, the tube laboratory headed by Dr. Walter Hass of the former Zentral-Institut fuer Funktechnik (Central Institute for Radio Technique) at Adlershof has been subordinate to the WF plant.

14. Hellwig (fnu), chief of the "Organisatorische Planung" (organizational planning), presided over the planning committee of the WF plant. Work done at this committee with 5 or 6 subcommittees was of minor importance. Meetings were

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held at irregular intervals and were poorly attended by the members. Lectures were given on working methods, exchange of opinions of the labor force, etc. Meetings held by the subcommittees mostly concerned the reading of minutes of last planning committee conferences and comments on these minutes. Participants of the latter meetings were most uninterested. In early June, Helliwig, who was formerly manager of the [redacted] plant, became chief of the planning committee. His deputy was Metz (fnu), who was previously employed at the Staatliches Rundfunk-Komitee (State Radio Committee). Ulrich (fnu), chief of the experimental department, also had a deputy. Both deputies mentioned above were said to be members of the SED. Manager Mueller [redacted] was replaced by [redacted] Formann (fnu) and Schiller (fnu).

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15.

[redacted] a meet-
ing held at the VEB Fernmeldewerk Leipzig on 1 April 1955 was
attended by representatives of the DHZ (Deutsche Handelszentrale), the RFT
Main Administration, Funkwerk Erfurt, Funkwerk Dresden, TFW Thalheim, Funk-
werk Koeppenick and the WF plant. Television testing equipment to be exhibited
at the Leipzig Fair in the fall of 1955 was discussed.

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